Hart Schaffner & Marx

ANNUAL REPORT FOR 1970

Suiting the American Man Since 1887

OFFICERS AND DIRECTORS

Board of Directors
John D. Gray, *Chairman*
Lee S. Bickmore
Paul A. Conley
Jerome S. Gore
Arthur Gunzberg
Walter M. Heymann
Walter B. D. Hickey, Sr.
Roger Hull
Burton B. Ruby
Joseph Halle Schaffner
Elmer Schlesinger, Jr.
Clay E. Steele
Harry L. Wells
James K. Wilson, Jr.
Robert J. Witt

Corporate Officers
John D. Gray
Chairman and Chief Executive Officer
Jerome S. Gore
President
James K. Wilson, Jr.
Executive Vice President
Mario Ciucci
Senior Vice President
John R. Meinert
Senior Vice President and Treasurer
Richard L. Barker
Vice President and Comptroller
Hugh H. Gallarneau
Vice President
Richard W. Garbe
Vice President and Secretary
Keith Munroe
Vice President
William W. Rowlette
Vice President
Charles L. Stewart, Jr.
Vice President and General Counsel
William J. White
Vice President

HART SCHAFFNER & MARX
Corporate office:
36 South Franklin Street, Chicago, Ill. 60606.

TRANSFER AGENTS
The First National Bank of Chicago, Chicago, Ill. 60690.
Bankers Trust Company, New York, N.Y. 10015.

REGISTRARS
Continental Illinois National Bank and Trust Company of Chicago, Chicago, Ill. 60690.
Chemical Bank New York Trust Company, New York, N.Y. 10015.

DIVISIONS

Hart Schaffner & Marx Clothes
36 South Franklin Street, Chicago, Ill. 60606.
William Mendelsohn, *President*
9 plants: Chicago (4), Rock Island (2) and Joliet, Ill.; Rochester, Ind.; and Chaffee, Mo.

Hart Schaffner & Marx Retail Division
36 South Franklin Street, Chicago, Ill. 60606.
Robert J. Witt, *President*

Hickey-Freeman Co., Inc.
1155 Clinton Avenue North, Rochester, N.Y. 14621.
Walter B. D. Hickey, Sr., *President*
5 plants: Rochester (2), Buffalo, East Rochester and LeRoy, N.Y.

Jaymar-Ruby, Inc.
5000 South Ohio Street, Michigan City, Ind. 46360.
Jack M. Ruby, *Chairman of the Board*
Burton B. Ruby, *President*
9 plants: Michigan City (3) and East Chicago (2), Ind.; Anniston and Russellville, Ala.; Elizabethtown, Ky.; and Rector, Ark.

M. Wile & Company, Inc.
77 Goodell Street, Buffalo, N.Y. 14240.
Arthur Gunzberg, *Chairman of the Board*
Lawrence Gunzberg, *President*
4 plants: Buffalo (3) and Dunkirk, N.Y.

Johnny Carson Apparel, Inc.
77 Goodell Street, Buffalo, N.Y. 14240.
Arthur Gunzberg, *Chairman of the Board*
Johnny Carson, *President*

Gleneagles, Inc.
Gleneagles Court, Baltimore, Md. 21204.
Charles R. Lamm, *Chairman of the Board*
2 plants: Baltimore and Bel Air, Md.

Robitshek-Schneider Company (Great Western)
110 North Fifth Street, Minneapolis, Minn. 55403.
Louis Gross, *Chairman of the Board*
Arnold Rubenstein, *President*
2 plants: Minneapolis and Chisholm, Minn.

Austin Reed of Regent Street
36 South Franklin Street, Chicago, Ill. 60606.
Barry A. Reed, *Chairman of the Board*

Craigmore Clothes, Inc.
227 South Seeley Avenue, Chicago, Ill. 60612.
A. Robert Lauter, *President*

New York City sales offices for manufacturing divisions:
1290 Avenue of the Americas, New York, N.Y. 10019.

ANNUAL REPORT FOR 1970

Hart Schaffner & Marx

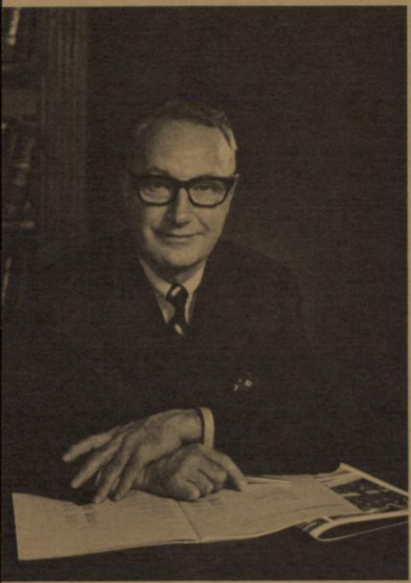
HIGHLIGHTS

	Year ended November 30, 1970	*1969*
OPERATING		
Net sales	**$363,406,000**	$370,130,000
Net earnings	**11,370,000**	15,820,000
Average shares outstanding —common shares and common share equivalents	**8,738,000**	8,463,000
Earnings per share	**1.30**	1.87
Earnings per share—fully diluted	**1.30**	1.83
FINANCIAL		
Working capital	**154,299,000**	147,338,000
Additions to property and equipment—net	**10,368,000**	13,434,000
Depreciation	**5,335,000**	5,067,000
Shareholders' equity	**146,160,000**	141,466,000
Shareholders' equity per share	**16.74**	16.25
OTHER		
Number of employees	**18,500**	19,500
Number of shareholders	**6,700**	5,600
Number of retail stores	**248**	229

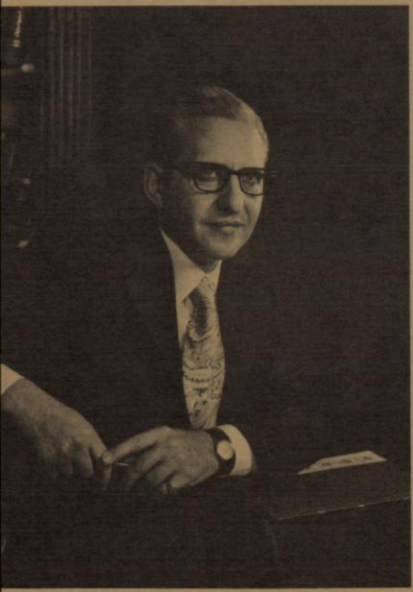
The increase in average shares outstanding resulted from the 587,703 shares issued for the convertible debentures called in May, 1969. The earnings per share—fully diluted, shown above, reflect these shares as though they were outstanding from the beginning of the 1969 year. All per share figures reflect the 3-for-2 stock split effective February 3, 1969.

(Cover)
"THE AMERICAN COLLECTOR"
This photo reflects the creative style to be used in the new advertising format "Suiting the American Man Since 1887" for Hart Schaffner & Marx—Fall & Winter Season 1971.

TO OUR SHAREHOLDERS:



John D. Gray



Jerome S. Gore

The sales and earnings of the Company for the 1970 fiscal year were adversely affected by the economic downturn which had a serious effect on our industry. Earnings of $11,370,000 for 1970 were 28 percent lower than the record high earnings of $15,820,000 achieved in 1969, after nine consecutive years of increases. Earnings per share were $1.30 for 1970, compared with $1.83 for 1969 on a fully diluted basis.

Consolidated sales in 1970 decreased two percent to $363,406,000 from the $370,130,000 sales attained in 1969 after 11 successive years of new record highs. Retail sales, although 22 new stores were added in 1970, were somewhat below their 1969 record. The total 1970 sales of the manufacturing divisions were also slightly below 1969.

The sales decrease, combined with other factors, accounted for the decline in the Company's earnings. Lower gross margins resulted from higher markdowns in the retail stores and from lower factory production levels. A determined effort was made, and is continuing, to reduce overhead and expenses throughout the Company. The very substantial savings resulting from these efforts, however, have not been sufficient to offset the increased expenses caused by operating 22 additional stores and by the inflationary forces in our economy.

The softness in the economy, especially in retail sales, is continuing into the first part of our 1971 fiscal year. Advance orders received by our manufacturing divisions for the first half of 1971 are lower as a result of imbalances that existed in retailers' inventories as well as uncertainty on the part of many retailers.

Fortunately, inventories are in good condition and are $8 million lower than a year ago even with the addition of 22 new stores. It appears that excess inventories in retailers' hands have been liquidated and that men's clothing fashions are stabilized. It is only a matter of time until the consumer begins to purchase clothing again with confidence. Improvements in retail sales will be reflected quickly both in earnings for the retail stores and in increased orders for the manufacturing divisions. Your Company, with one of the most outstanding groups of retail specialty stores in the country, is fully prepared for the upturn when it does occur.

The financial requirements for the future growth and progress of your Company have been carefully analyzed. On August 3, 1970, the Company arranged a new long-term bank credit agreement with a group of 10 banks which allows the Company to borrow up to $70 million, replacing a previous agreement limited to $40 million. The Company's peak bank loans of approximately $54 million were reduced to $49 million at November 30, 1970, and further reduced to $35 million outstanding at January 31, 1971.

The capitalization of the Company would be improved by obtaining longer term funds to replace an equivalent amount of bank loans. Therefore, the Company filed a registration statement with the Securities and Exchange Commission on February 3, 1971, and announced plans to issue $35 million principal amount of sinking fund debentures due 1996. It is expected that the registration statement will become effective and the final terms of the offering established by the end of February and that the proceeds from the sale of the debentures will be available shortly thereafter. The Company will use the proceeds to reduce the loans outstanding under the bank agreement and also plans to lower the $70 million commitment to no more than $40 million. The Company has the option until July 31, 1973, to convert to term loans, all or part of this $40 million, payable in equal amounts in the four years 1974 through 1977.

A consent order signed June 1, 1970, in the Federal District Court, Chicago, settled the anti-trust suit filed by the U.S. Department of Justice in November, 1968. The Company will select for divestiture any 30 men's stores which purchased from all suppliers in 1968 a combined total of 52,500 better-priced men's

suits, and may continue to sell apparel to the new owners. It is expected that proceeds from divestiture will be as profitably reinvested in new shopping center stores or in other opportunities. Five of the 30 stores must be sold by December 31, 1971, and the remainder by October 31, 1973. Two stores have been sold recently.

The order does not in any way restrict the opening of new men's stores or branches by the Company, or acquisition of other types of stores (including women's specialty stores) nor does it apply to manufacturing acquisitions; only acquisitions of existing men's clothing stores would require Department of Justice approval for five years and for an additional five years either Department of Justice or Court approval.

Expansion has continued with the opening of 22 stores in 1970 compared to the record high of 23 stores opened in 1969. Your Company now owns 248 stores operating in 74 metropolitan areas. Ten of the 248 stores are women's apparel stores and the remainder are men's apparel stores or stores selling both men's and women's apparel. Leases have been signed for 11 additional stores to be opened in 1971, three of which will be women's stores. Retail sales, including sales of departments leased to others, exceeded $250 million in both 1969 and 1970. (Consolidated sales do not include such leased department sales.) The expansion in the number of stores combined with the potential of previously established stores provides an excellent foundation for realizing increased sales and earnings when consumer demand improves.

Various possibilities for overseas expansion have been considered. A joint venture and licensing arrangement with a large Japanese trading company, Marubeni-Iida, is presently being negotiated. If satisfactorily concluded by the parties and if required approval is granted by the Japanese government, apparel under the Hart Schaffner & Marx label will be manufactured and marketed overseas.

Johnny Carson Apparel, Inc., majority-owned by our M. Wile subsidiary, was eminently successful during Fall, 1970, its first season. Over 1400 stores introduced Johnny Carson-labeled merchandise which sells in the intermediate price field.

The Company broadened top management responsibilities during the year. Mr. Gray, formerly president and chief executive officer, was elected chairman of the board and chief executive officer. Mr. Gore, previously executive vice president, was elected president. Further strength has been added by the election of two new vice presidents. Keith Munroe, formerly senior vice president of a major consumer products company, was elected vice president for advertising and Charles L. Stewart, Jr., was elected vice president and general counsel. Prior to joining our Company, Mr. Stewart was a partner in the law firm of Mayer, Brown and Platt, and in that capacity he worked closely with Hart Schaffner & Marx for many years.

The directors, on January 14, 1971, declared a quarterly cash dividend of 20 cents a share, payable February 16, to shareholders of record February 2. This is our 32nd consecutive year of dividends. The Company's shares, listed on the New York Stock Exchange since 1945, began trading also on the Midwest Stock Exchange on May 25, 1970.

The directors and officers join us in expressing appreciation to our dedicated employees for their efforts and skills in producing our products and distributing them to our customers.

Very truly yours,

John A. Gray

Chairman and Chief Executive Officer

Jerome S. Gore

President

February 19, 1971

MANUFACTURING AND MARKETING

The Company's various brands performed well during 1970 despite the economic turndown which was felt keenly by the clothing industry.

Hart Schaffner & Marx Clothes

The brands of the Hart Schaffner & Marx Clothes Division—which are Hart Schaffner & Marx, Society Brand Clothes, Sterling & Hunt, Graham & Gunn, Ltd., and Jack Nicklaus—offered a broad range of clothing in the new broader-lapel styles tailored in a comprehensive grouping of fabrics.

The Hart Schaffner & Marx brand, according to brand awareness tests conducted by an independent survey organization each year, is by a wide margin the best known in men's clothing. A new national advertising campaign has been developed by the Company's agency, J. Walter Thompson, as part of a marketing plan to earn an even larger share of the market.

Featured in the Hart Schaffner & Marx line is a collection of double-knit fabrics in sport coats, slacks and sport suits. Jack Nicklaus, one of golfdom's brightest names, assists the Company in designing these garments and wears them himself, both on the course and off. Nicklaus holds all the major golf crowns and is currently the British Open champion as well as golf's 1970 world-wide money winner.

The Society Brand name has become synonymous with fine quality blended with the best of the new advanced fashions. The brand stresses superlative craftsmanship. More and more stores are carrying Society Brand which has been a top name in men's fashion since 1902.

The Sterling & Hunt brand, while still a new name (since 1965), has risen from an initial seven accounts to representation in many major markets around the country. The brand is offered mainly through well-known and important department stores.

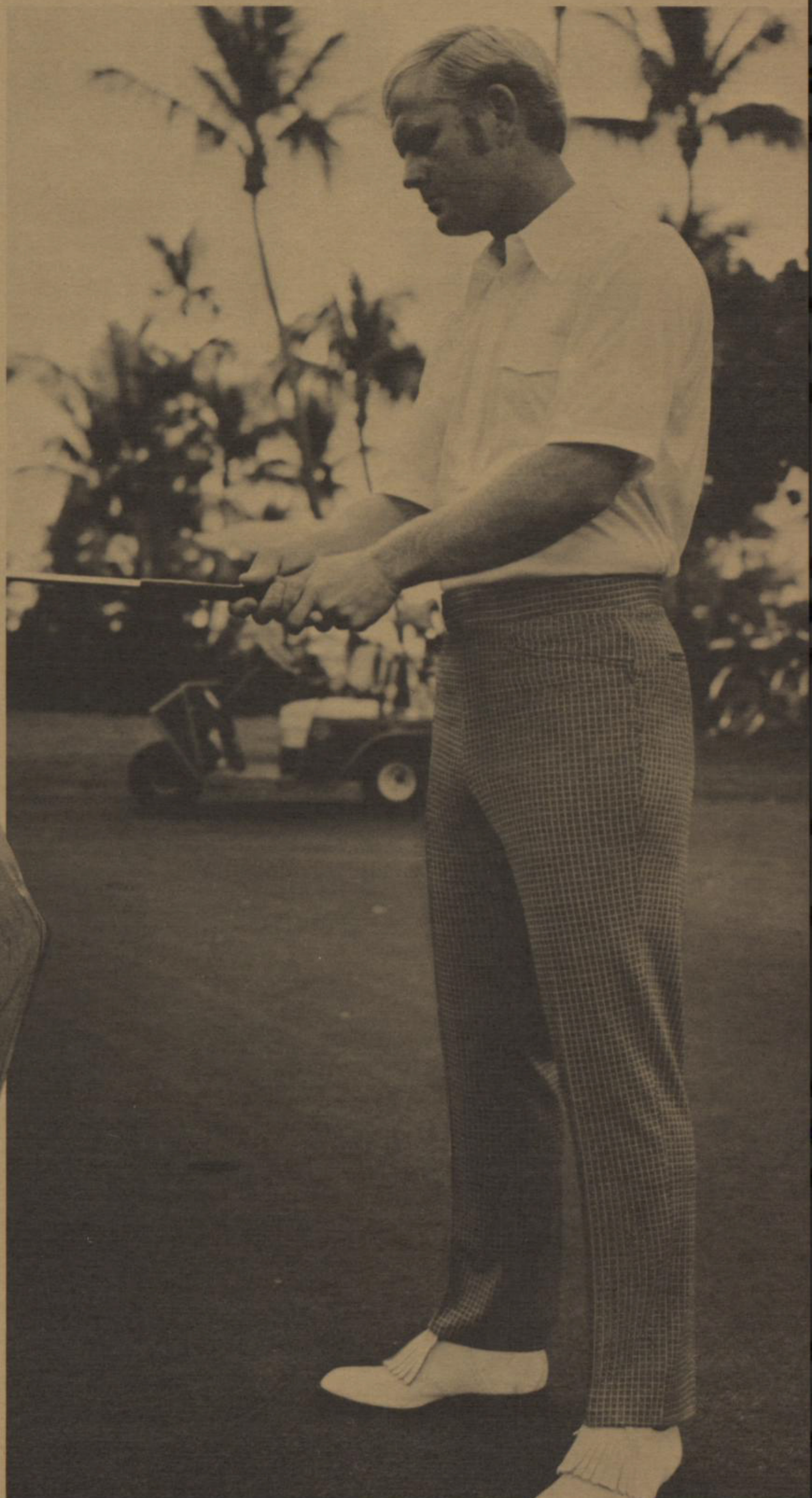
Graham & Gunn, Ltd., was also established in 1965 and has grown to be an important brand to many of the nation's prestige men's stores. The name is promoted through select publications whose readers are quality-oriented and form a well-educated and affluent audience.

Fashionaire creates specially designed career wear for the nation's airlines, car-rental companies, banks, savings and loan institutions and other service organizations. During 1970 Fashionaire recorded one of its best years ever in terms of increased profits and sales. Among the major programs developed last year were those for such airlines as American, United, National, Delta, Trans World, Pan American, Eastern, Northwest Orient, and Frontier, as well as other companies such as Avis, John Deere and the Stouffer restaurant chain.

Graham & Gunn, Ltd., is featuring Iberian Stripes in a sport coat advertisement in *The New Yorker* magazine for spring 1971.

Jack Nicklaus-brand double-knit golf slacks in colorful mini-checks will be featured in a DuPont advertisement this spring in *Newsweek* magazine.

Sterling & Hunt tailors wool worsted Metropatterns in such leading styles as the two-button Marquis 72 suit.



Hickey-Freeman Co., Inc.

Hickey-Freeman Co., Inc., of Rochester, New York, tailors clothing under the Hickey-Freeman, Walter-Morton and Gilbert & Lodge labels. The placement of the division's labels, especially Walter-Morton, in a number of additional retail stores during the year helped maintain a high level of production.

Long the recognized leader in top quality men's clothing, Hickey-Freeman has achieved equal pre-eminence in the field of fashion. Culminating several years of development, a special collection of advanced styles introduced for last fall was enthusiastically accepted by retailers.

Hickey-Freeman's skill in hand tailoring and high standards of quality proved especially valuable in the development of a superb new collection of clothing of double-knit fabrics, and it is anticipated that this category will grow in importance.

Hickey-Freeman's special forward-fashion collection features styles like this three-button Wexguard model with its wider lapels and deeper pocket flaps.

(Opposite page)
(Large photograph) Jaymar-Ruby will introduce a new version of its popular Sansabelt slacks next fall. It features a front buckle with loops and new Avante pocket.

(Inset) Society Brand tailors the Town & Country suit with styling so versatile it can adapt to almost any situation.

Jaymar-Ruby, Inc.

Jaymar-Ruby, which continues to be the nation's largest manufacturer of men's quality dress slacks, offered the most comprehensive lines ever during 1970. The firm introduced and marketed slacks of double-knit fabrics in which there is great consumer interest.

Jaymar's Sansabelt slacks, a beltless style utilizing an elasticized waistband, continue to be the nation's most important individual men's dress slack style in the quality field. The new Sansabelt knits offered a bold look in this well-established line.

Jaymar's wholly-owned subsidiary, Silver/GulfStream, Inc., also is a fashion and style leader in the men's slack field. Innovative ideas in both model and design spark this recognized brand name. Silver/GulfStream, Securoslax and SelfSizer are unique and exclusive products in this line.

Advertisements in leading publications and on television keep Jaymar-Ruby's brand names prominently before both retailers and consumers.

Jaymar has built a 35,000-square-foot building in Michigan City, Indiana, which will enable its management functions to be centralized in the new headquarters. The move takes place this month, and cutting, stock and shipping operations will be expanded into the former space. The production and shipping facilities in Anniston, Alabama, were also enlarged during 1970.

M. Wile & Company, Inc.

M. Wile is one of the nation's leading manufacturers of intermediate-priced men's clothing, and its products are offered in leading stores throughout the country, usually under the private label of the individual store.

M. Wile also manufactures all the tailored clothing for its majority-owned subsidiary, Johnny Carson Apparel, Inc.

Johnny Carson Apparel, Inc.

Fall 1970 marked the first season for Johnny Carson Apparel, Inc., and 1400 stores



introduced the collection through an impressive promotion effort. The Company is pleased with the results of the division to date.

Seventeen leading companies in our industry (four of them divisions of Hart Schaffner & Marx) produced 25 different categories of intermediate-priced apparel which are coordinated into a wardrobe keyed to the TV celebrity's personal taste. Johnny Carson Apparel, Inc., will market between 180,000 and 200,000 suits and sport coats alone during the first 12 months of production. Other Company divisions also tailor slacks, outercoats, weathercoats, casual outerwear and coordinated knitwear.

The Carson collection was advertised in several magazines including a special nine-page color series in *Esquire* magazine and in a series of television commercials on the "Today" and "Tonight" shows. This spring advertisements are appearing in such magazines as *Newsweek, Sports Illustrated, The New Yorker,* and *Esquire* as well as commercials on "Today" and "Tonight."

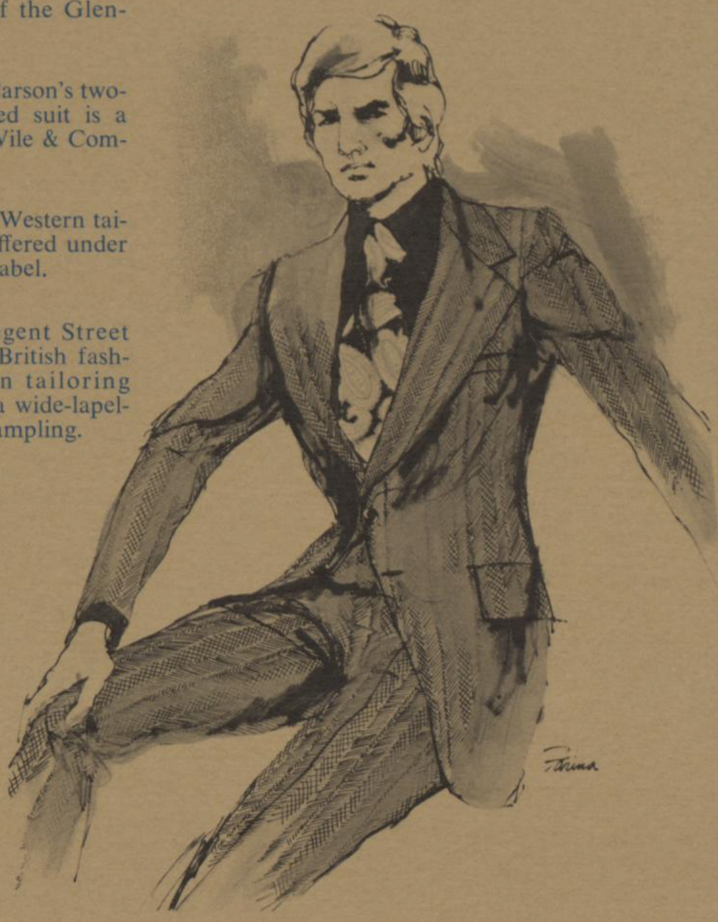
Great names get together... Hope, Carson and Hart Schaffner & Marx.

(Left) Bob Hope wears a new weathercoat style of the Gleneagles division.

(Right top) Johnny Carson's two-button single-breasted suit is a product of the M. Wile & Company division.

(Right below) Great Western tailors the safari suit offered under the Johnny Carson label.

Austin Reed of Regent Street couples the best of British fashion with American tailoring know-how. Here is a wide-lapelled single-breasted sampling.



Great Western

The Robitshek-Schneider outerwear division headquartered in Minneapolis is changing its corporate identity to Great Western. This division, originally producing men's and boys' outerwear, has expanded into the sportswear field, and is marketing a double-knit and coordinated cut-and-sewn line of jackets, slacks, sport shirts, vests and jumpsuits this spring. Response to the new line has been excellent.

This division also cooperated in the Johnny Carson program, providing outerwear and double-knit sportswear.

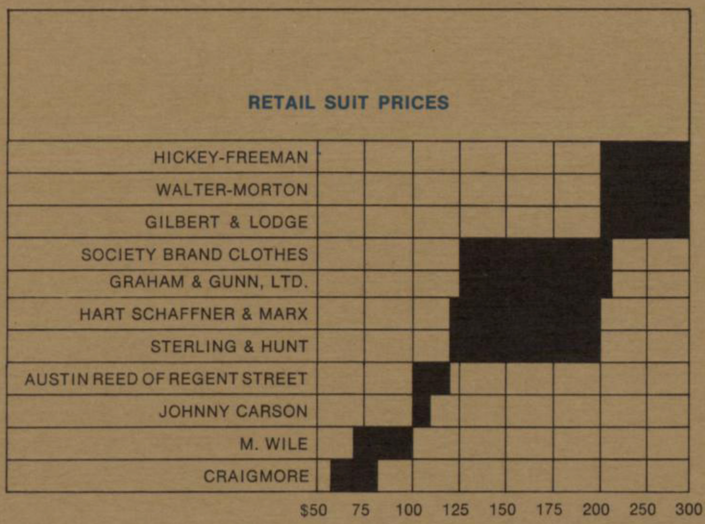
Gleneagles, Inc.

The Gleneagles, Inc., division in Baltimore tailors weathercoats under its own label as well as the Austin Reed of Regent Street and Johnny Carson labels. The latter associations helped strengthen the division's position in the weathercoat market. Gleneagles added many new retail accounts as part of the Johnny Carson program and most of these dealers are offering the regular Gleneagles line as well.

Gleneagles also tailors high-fashion women's rainwear under the Chandelle, Ltd., label. These weathercoats are styled by Jean Louis who has a world-wide reputation for excellence in design.

Austin Reed of Regent Street

Austin Reed of Regent Street, a brand introduced by the Company in 1969, is now a separate division of Hart Schaffner & Marx. The new division is an outgrowth of Hart Schaffner & Marx' 11 per cent interest purchased four years ago in Austin Reed, Ltd., which operates 46 men's apparel stores and manufactures apparel in the United Kingdom. Barry Austin Reed, managing director of Austin Reed, Ltd., serves as chairman of the new division.



Austin Reed of Regent Street clothing, which includes suits, sport coats, weathercoats and outerwear, is designed in London and tailored in the United States. International in design, the clothing is aimed at the 21-to-35 market but is being purchased by men of all ages. Its prices are in the intermediate range.

Craigmore Clothes, Inc.

The Craigmore Clothes division in Chicago has been a supplier of suits and sport coats for Sears, Roebuck & Co. for the past 55 years and is Sears' oldest resource in men's clothing.

The division operated at full production during the year and is moving into the manufacture of double-knits for Sears.

RETAIL STORES

Retail volume, including sales of leased departments, exceeded $250 million in both 1969 and 1970. A substantial contribution was made to consolidated earnings although there was a decrease in the earnings of the retail stores.

During 1970 the Retail Division continued its expansion program by adding 22 branch-store locations. The division sold the two Haynes stores in Springfield, Massachusetts, as of November 30, 1970. The Company now operates 248 stores in 74 metropolitan areas of the nation. These areas contain 65 percent of the total population in all U.S. metropolitan areas. Of the 248 stores, 85 are downtown units, 140 are shopping center stores and 23 are neighboring suburban units.

Leases have been signed for 11 new branch stores—three of them women's—to be opened this year.

Wallachs is the largest retail subsidiary of the division, operating 27 stores in the New York City area, New England and Florida. Silverwoods operates 20 stores in the Los Angeles area and Las Vegas, Nevada; Hastings, 16 stores in the San Francisco-Sacramento area; and Baskin, 14 stores in the Chicago area, Urbana, Illinois, and Madison, Wisconsin.

Quality, fashion and personalized service have formed the foundation for the successful growth of the retail stores. Today's consumer is more aware than ever of product value and hard-to-find personalized service, and the Company-owned stores have intensified their efforts to meet this demand.

In addition, the division has moved aggressively to better serve the youth market by emphasizing more youth-oriented merchandise in all stores. Baskin, for example, opened a separate young men's and women's "I-Beam" shop in the Randhurst and Urbana Shopping Center stores. This shop-within-a-store concept recently earned a national award for design excellence. The award was sponsored jointly by the Institute of Store Planners and the National Association of Store Fixture Manufacturers. Additional "I-Beam" shops will be opened this year in Highland Park and in the Old Orchard, Evergreen and Lakehurst Shopping Centers, the latter being a new center opening next fall near Waukegan, Illinois.

J. P. Allen opened a young women's shop called The Underground in the lower level of the Lenox Shopping Center store in Atlanta. Separate shops are planned for Levy/Wolf, Jacksonville, Florida; Jack Henry, Kansas City; Silverwoods, Los Angeles; and Kleinhans, Buffalo. Many other Company stores are carrying the new young fashions in separate shops or in a separate section of the store.

The women's wear specialty stores are making considerable progress in bringing the Company an increased share of this important retail market. Chas. A. Stevens of Chicago is presently building two branch units, one in the successful Randhurst Shopping Center and the other in the new Lakehurst Center. J. P. Allen of Atlanta will open a fourth unit in the Northlake Shopping Center and deJong's of Evansville, Indiana, is completely remodeling its successful Lawndale suburban store.

Jaymar-Ruby's new 35,000-square-foot building in Michigan City, Indiana, provides centralized management headquarters.

New branch stores were opened in 1970 by:

- Zachry of Atlanta in South DeKalb Shopping Center.
- Vicarys of Canton, Ohio, in Belden Village Shopping Center.
- J. O. Jones of Charlotte in South Park Shopping Center.
- Baskin of Chicago in West Towne Mall, Madison, Wisconsin.
- Walkers of Dayton, Ohio, in Dayton Mall.
- Jas. K. Wilson of Dallas in Six Flags Mall Shopping Center, Arlington, Texas.
- Capper & Capper, Ltd., of Chicago and Detroit in Northland Center, Southfield, Mich.
- Stark Bros. of Harrisburg in Harrisburg East Shopping Center.
- Leopold Price & Rolle of Houston in Galleria Post Oak Shopping Center.
- Stevens of Jackson, Mississippi, in Jackson Mall.
- Silverwoods of Los Angeles in Esplanade, Oxnard, California; and in Tyler Mall, Riverside, California
- Fannins of Montgomery, Alabama, in Montgomery Mall.
- Wallachs/Dick Richmond in Dadeland Shopping Center, Miami; and in Pompano Fashion Square Shopping Center, Pompano Beach, Florida.
- Wallachs of New York in Kings Plaza Shopping Center, Brooklyn, New York; and in Warwick Mall, Warwick, Rhode Island.
- Shulmans of Norfolk in Military Circle Shopping Center.
- Jacob Reed of Philadelphia in Echelon Mall, Echelon, New Jersey.
- Hastings of San Francisco on Montgomery Street, San Francisco.
- Wolf Bros. of Tampa in Merritt Square Shopping Center and in Edison Mall, Ft. Myers, Florida.

(Top, Page 13) Leopold Price & Rolle's store in the Galleria Post Oak Shopping Center, Houston, was inspired by the famed Galleria shopping arcade in Milan, Italy.

(Center) Wallachs recently opened a new store in Warwick Mall, Warwick, Rhode Island.

(Bottom) Shulman's new store in the Military Circle Shopping Center, Norfolk, Virginia was designed in a Williamsburg theme.

(Page 14, overleaf)
(Large photograph) Baskin of Chicago last year opened an award-winning "I-Beam" contemporary shop in its suburban Randhurst Shopping Center store.

(Inset) J. P. Allen of Atlanta originated "The Underground" Shop for young women in its Lenox Square unit during 1970.

(Right) The new Capper & Capper, Ltd., store in the Northland Center, Southfield, Michigan.


HART SCHAFFNER & MARX
WALTER-MORTON


he I-BEA

Financial Statements

Hart Schaffner & Marx

CONSOLIDATED STATEMENT OF EARNINGS

	Fiscal years ended November 30, 1970	1969
Net sales	**$363,406,000**	$370,130,000
Other income	**3,386,000**	2,757,000
	366,792,000	372,887,000
Cost of goods sold	**224,254,000**	223,076,000
Selling, administrative and occupancy expenses (Notes 5 and 6)	**111,245,000**	108,925,000
Depreciation and amortization (Note 7)	**5,335,000**	5,067,000
Interest	**4,188,000**	3,738,000
	345,022,000	340,806,000
Earnings before taxes	**21,770,000**	32,081,000
Taxes on income:		
Current	**9,689,000**	16,104,000
Deferred	**711,000**	157,000
	10,400,000	16,261,000
Net earnings for the year	**$ 11,370,000**	$ 15,820,000
Earnings per common share and common equivalent share (Note 2)	**$1.30**	$1.87
Earnings per common share, assuming full dilution (Note 2)	**$1.30**	$1.83

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

	1970	1969
Balance at beginning of year (Note 1)	**$ 98,802,000**	$ 89,661,000
Net earnings for the year	**11,370,000**	15,820,000
	110,172,000	105,481,000
Deduct:—		
Cash dividends paid:		
On preferred shares, $2.00 and $.98 per share, respectively	**189,000**	95,000
On common shares, $.80 per share	**6,848,000**	6,509,000
By pooled companies prior to acquisition		75,000
	7,037,000	6,679,000
Retained earnings at end of year	**$103,135,000**	$ 98,802,000

(See accompanying notes to financial statements)

Hart Schaffner & Marx

CONSOLIDATED BALANCE SHEET

	November 30, 1970	November 30, 1969
ASSETS		
CURRENT ASSETS:		
Cash	**$ 13,357,000**	$ 7,714,000
Accounts receivable, less allowance for doubtful accounts—$2,887,000 and $2,919,000, respectively	**64,409,000**	67,348,000
Inventories, at lower of cost or market	**112,291,000**	120,250,000
Prepaid expenses	**2,094,000**	2,399,000
Accumulated income tax prepayments	**2,336,000**	1,947,000
Total current assets	**194,487,000**	199,658,000
OTHER ASSETS:		
Investment in and advances to Austin Reed, Limited, at cost which is less than market	**1,112,000**	1,071,000
Cash value of life insurance and other investments	**1,840,000**	1,637,000
	2,952,000	2,708,000
PROPERTIES, at cost:		
Land	**1,207,000**	1,071,000
Buildings and building equipment	**10,278,000**	9,638,000
Furniture, fixtures and equipment	**49,466,000**	46,506,000
Leasehold improvements	**32,469,000**	27,014,000
	93,420,000	84,229,000
Accumulated depreciation and amortization (Note 7)	**46,541,000**	42,383,000
	46,879,000	41,846,000
	$244,318,000	$244,212,000

(See accompanying notes to financial statements)

	November 30,	
	1970	*1969*
LIABILITIES		
CURRENT LIABILITIES:		
Notes payable	**$**	$ 4,860,000
Current maturities of long-term debt	**1,230,000**	1,199,000
Accounts payable	**25,519,000**	25,755,000
Accrued expenses	**11,758,000**	12,909,000
Federal and state income taxes	**1,681,000**	7,597,000
Total current liabilities	**40,188,000**	52,320,000
LONG-TERM DEBT, less current maturities:		
4⅞% note payable $600,000 annually to 1983	**7,200,000**	7,800,000
Notes payable to banks under credit agreement (Note 4)	**49,000,000**	40,000,000
Other debt, extending to 1985	**1,770,000**	2,626,000
	57,970,000	50,426,000
SHAREHOLDERS' EQUITY:—		
Preferred shares, $1 par value (Notes 9 and 10): Authorized 2,500,000; issued and outstanding, Series A, 94,440	**94,000**	94,000
Common shares, $2.50 par value (Notes 3, 9 and 10): Authorized 25,000,000; issued 8,570,716 in 1970 and 8,538,941 in 1969	**21,427,000**	21,347,000
Capital surplus (Note 10)	**21,743,000**	21,308,000
Retained earnings, per accompanying statement (Note 4)	**103,135,000**	98,802,000
	146,399,000	141,551,000
Common shares in treasury, at cost—10,100 in 1970 and 3,223 in 1969 (Note 10)	**239,000**	85,000
	146,160,000	141,466,000
	$244,318,000	$244,212,000

Hart Schaffner & Marx

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Fiscal years ended November 30, 1970	1969
Funds were provided from:		
Operations:		
Net earnings for the year	**$11,370,000**	$15,820,000
Depreciation and amortization	**5,335,000**	5,067,000
	16,705,000	20,887,000
Borrowings under bank credit agreement	**9,000,000**	13,000,000
Other borrowings		1,371,000
Issuance of common stock upon conversion of debentures (contra below)		16,648,000
Proceeds of stock options exercised	**515,000**	809,000
Other sources—net	**(238,000)**	1,153,000
	25,982,000	53,868,000
Funds were applied to:		
Payment of long-term debt	**1,456,000**	842,000
Payment of dividends	**7,037,000**	6,679,000
Property additions—net	**10,368,000**	13,434,000
Purchase of treasury shares	**160,000**	
Conversion of 4½% convertible debentures into common stock (contra above)		16,648,000
	19,021,000	37,603,000
Increase in working capital	**$ 6,961,000**	$16,265,000

Chicago, Illinois
January 14, 1971

To the Shareholders and
Board of Directors of
Hart Schaffner & Marx

In our opinion, the accompanying consolidated balance sheets, the related statements of consolidated earnings and retained earnings and the statements of source and application of funds present fairly the financial position of Hart Schaffner & Marx and its subsidiaries at November 30, 1970 and 1969, the results of their operations and the source and application of funds for the years then ended, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse & Co.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements include the accounts of the Company and all of its subsidiaries. In 1969, the Company acquired Chas. A. Stevens & Co. for 100,000 Series A cumulative convertible preferred shares, and deJong's, Inc. and Craigmore Clothes, Inc. for 88,184 and 24,000 common shares, respectively. These transactions were poolings of interests and accordingly the 1969 consolidated financial statements have been adjusted retroactively to include the results of operations of these companies for the entire year. In addition, the Company purchased J. P. Allen & Co. in May 1969.

NOTE 2—EARNINGS PER SHARE:

Earnings per common share and common equivalent share are based on the weighted average number of common shares and common equivalent shares outstanding during each year, adjusted for shares issued in poolings of interests set forth in Note 1 and a three-for-two stock split in February 1969. Stock options and the Series A preferred shares have been included as share equivalents and, in the case of stock options, the share equivalents have been reduced by treasury shares which could have been purchased at average market prices with proceeds received had the options been exercised.

Earnings per common share, assuming full dilution, are based on factors set forth above, modified by (1) accounting for common shares issued in 1969 in exchange for convertible debentures as if they had been issued at the beginning of the period, (2) adjusting net earnings in 1969 to eliminate the net of tax effect of debenture interest, and (3) assuming, in the adjustment for stock options, that treasury shares would have been purchased at the year-end market price when higher than the average price.

NOTE 3—STOCK OPTION PLANS:

Under the Company's stock option plans, 365,899 unissued common shares were reserved at November 30, 1970 for options granted or to be granted to officers and key employees. The changes in the number of shares under option during the years ended November 30, 1970 and 1969 were as follows:

	Shares — Years ended November 30, 1970	1969
Under option at beginning of period	365,649	324,362
Granted	24,100	96,510
Terminated	(17,573)	(9,487)
Exercised	(31,775)	(45,736)
Under option at end of period	340,401	365,649
Options exercisable at end of period	174,371	126,375

All options were granted at the highest selling price of the stock on the New York Stock Exchange on the dates of the grants. Options were exercised during the fiscal year 1970 at prices ranging from $15.44 to $26.33 per share and during the fiscal year 1969 at prices ranging from $7.07 to $31.50 per share, and options outstanding at November 30, 1970 ranged in price from $20.88 to $39.33 per share.

The Board of Directors has approved a new stock option plan for 125,000 shares, subject to approval by the shareholders at their annual meeting in April 1971.

NOTE 4—BANK CREDIT AGREEMENT:

The Company has a bank credit agreement, expiring July 30, 1973, with a group of banks under which it may borrow up to $70,000,000. The credit agreement provides that the Company may at any time up to July 30, 1973 convert its interim borrowings into term loans, or incur additional term loans, up to a maximum of $40,000,000 which will mature in equal amounts in each of the four fiscal years starting in 1974. Interest rates under interim borrowings will be at prime commercial rates through July 30, 1971 and at ¼% above prime thereafter. Interest on term loans will be at ⅜% above the prime rate. This bank credit agreement, presently the most restrictive of the Company's debt agreements, limited senior funded debt at November 30, 1970 to approximately $73,000,000 based on the ratio of such debt to tangible assets less current liabilities. The agreement does not limit the amount of subordinated funded debt which the Company may incur. The Company is required to maintain consolidated net working capital of $120,000,000, which amount will increase $5,000,000 per year beginning July 31, 1971 to a maximum of $140,000,000, less any unused commitments. Further, $72,915,000 of consolidated retained earnings at November 30, 1970 was restricted as to the payment of cash dividends.

NOTE 5—LEASES:

At November 30, 1970, the Company and its subsidiaries were parties to 326 separate noncancelable lease agreements, primarily covering retail store properties. Leases expiring by January 31, 1974 require minimum annual rental payments of $840,000, and leases expiring thereafter require minimum annual rental payments of $8,760,000. Over 90% of the leases provide for the payment by the lessors of all or most of the applicable property taxes, which are substantial in proportion to the minimum rentals.

Total rentals include additional rentals based on a percentage of sales (including sales of leased departments) in excess of stipulated minimums. The total rentals paid, including those under short-term cancelable leases, were $12,601,000 in 1970 and $12,164,000 in 1969.

NOTE 6—PENSION PLANS:

The Company and its subsidiary companies have a number of pension plans covering substantially all non-union employees and some union employees. These plans are administered partly under trust agreements and partly through group annuity contracts with an insurance company. The principal plan requires contributions by employees and two of the other plans permit voluntary employee contributions. Except for several deferred profit-sharing plans of subsidiary companies, all Company contributions are based on actuarial requirements. Total pension costs for the years ended November 30, 1970 and 1969 were $2,029,000 and $1,953,000, respectively, which include current service costs and, as to plans not fully funded, amortization of prior service costs over ten to thirty years. The Company's policy is to fund normal and prior service pension costs as accrued. The amounts funded under the plans exceeded the actuarily computed total of vested benefits at November 30, 1970.

In addition to the above, the companies contribute amounts based on a percentage of the wages of other union employees to funds administered by the unions for combined employees' welfare and retirement benefits.

NOTE 7—DEPRECIATION POLICY:

The Company uses accelerated methods for a significant portion of its properties and the straight-line method for the remainder.

NOTE 8—CONSENT DECREE:

Under the terms of a consent decree entered on June 1, 1970 by the United States District Court, the Company has agreed not to acquire an interest in any men's clothing store for five years without the approval of the Department of Justice, and for an additional five years without the approval of either the Department of Justice or the Court. The Company also agreed that prior to October 31, 1973, it would select and dispose of thirty men's stores which purchased from all suppliers during the twelve months ended January 31, 1969 a combined total of 52,500 better priced men's suits. Although no decision has yet been made as to all of the stores to be disposed of, management does not anticipate that the overall effect of these dispositions will have a material adverse effect on either the Company's future financial position or its future results of operations.

NOTE 9—PREFERRED SHARES:

Preferred shares, all of which carry a par value of $1 per share, are issuable in series and have such rights, preferences and limitations as may be fixed by the Board of Directors at the date of issuance. The Series A preferred shares are voting shares, are each convertible into 1.8 common shares, are cumulative with an annual $2 dividend rate, provide for a liquidation price of $67.50 per share (an aggregate of $6,375,000 at November 30, 1970) and are callable on or after May 1, 1974, at their liquidation price. As at November 30, 1970, there were 169,992 common shares reserved for conversion of the preferred shares.

NOTE 10—CAPITAL SHARES AND CAPITAL SURPLUS:

Changes in preferred and common shares and capital surplus for the years ended November 30, 1969 and 1970 were as follows:

	Preferred shares		*Common shares*		*Capital*
	Shares	*Par value*	*Shares*	*Par value*	*surplus*
Balance at November 30, 1968, adjusted for three-for-two stock split distributed in February, 1969 and shares issued in poolings of interests in 1969 (Note 1)	100,000	$100,000	7,895,494	$19,739,000	$ 5,563,000
Transactions during 1969:					
Stock options exercised			45,736	114,000	695,000
Conversion of 4½% convertible subordinated debentures at rate of $28.33 per common share			587,703	1,469,000	15,069,000
Conversion of preferred shares at rate of 1.8 common shares for each preferred share	(5,560)	(6,000)	10,008	25,000	(19,000)
Balance at November 30, 1969	94,440	94,000	8,538,941	21,347,000	21,308,000
Transactions during 1970:					
Stock options exercised			31,775	80,000	435,000
Balance at November 30, 1970	94,440	$ 94,000	8,570,716	$21,427,000	$21,743,000

The Company purchased 7,100 outstanding common shares for the treasury in 1970 at a cost of $160,000 and used 488 treasury shares costing $13,000 in 1969 and 223 treasury shares costing $6,000 in 1970 as employee awards.

TEN YEAR SUMMARY

Year Ended Nov. 30	Net Sales *(in thousands)*	Net Earnings *(in thousands)*	Earnings Per Share	Cash Dividends Per Share	Shareholders' Equity Total *(in thousands)*	Shareholders' Equity Per Share
1970	**$363,406**	**$11,370**	**$1.30**	**$.80**	**$146,160**	**$16.74**
1969	370,130	15,820	1.87	.80	141,466	16.25
1968	333,805	14,908	1.85	.73	114,965	14.25
1967	287,948	13,458	1.72	.67	99,287	12.77
1966	265,729	13,127	1.69	.53	89,416	11.64
1965	241,106	11,136	1.45	.41	80,387	10.52
1964	211,161	7,118	.95	.36	70,438	9.44
1963	187,968	4,817	.66	.31	64,430	8.85
1962	177,470	4,220	.58	.25	61,315	8.51
1961	90,737	2,509	.50	.21	36,963	7.38

Figures for all years except 1961 have been restated for poolings-of-interests. All per-share statistics have been adjusted to reflect a 5-for-4 split February 8, 1963, a 2-for-1 split March 25, 1965, a 3-for-2 split January 14, 1966, and a 3-for-2 split February 3, 1969.

RETAIL STORES DIVISION

Robert J. Witt
President

Donald G. Carney
Executive Vice President

Charles A. DeChants
Vice President

Don A. Miller
Vice President

Matthew F. Shannon
Vice President

Peter J. Stelling
Vice President

Gene Coccodrilli
Second Vice President

Jerome Dorf
Second Vice President

Peter L. Meyer, Jr.
Controller

Seymour Platt
Assistant Treasurer

248 Retail Stores and Their Executive Officers

J. P. ALLEN (3), Atlanta, Ga.—*Peter J. Stelling—(women's specialty store)*

B. R. BAKER (3), Cleveland, Ohio—*Howard Rubin*

BASKIN (11), Chicago—Urbana, Ill.—*Earl Graham and Melvin Weber*

BASKIN-OLSON & VEERHUSEN (3), Madison, Wisc.—*Earl Graham and Melvin Weber*

RAY BEERS, Topeka, Kans.—*Philip C. Gibson and Ray Beers, Jr.*

BLACKBURN'S (2), Amarillo, Tex.—*Henry Brown*

CAPPER & CAPPER, LTD. (6), Chicago, Ill., and Detroit, Mich.—*Robert A. Ratty*

A. M. DAVISON (2), Flint, Mich.—*John Cammarata*

DeJONG'S (2), Evansville, Ind.—*Merritt deJong and Hubert deJong—(women's specialty store)*

FANNIN'S (3), Montgomery, Ala.—*Thomas H. Nelson*

FIELD BROS. (3), New York, N.Y.—*Bernard Lefenfeld*

JACK FOX & SONS, Hammond, Ind.—*Robert F. Orr and Cliff LaReau*

ARTHUR FRANK (2), Salt Lake City, Utah—*Simon Frank and Lawrence K. Goldsmith*

FRANK BROS. (2), San Antonio, Tex.—*Stanley Frank, Sr., and George W. Clarke*

GOLDBERG'S, Elkhart, Ind.—*William L. Waterman*

GRIEGER'S, Michigan City, Ind.—*William L. Waterman*

HANNY'S (8), Phoenix, Ariz.—*William O. Manzer*

HASTINGS (16), San Francisco-Sacramento, Calif.—*Enzo Belli*

JACK HENRY (2), Kansas City, Mo.—*Jack Henry and Ernest A. Dick*

HEYWARD-MAHON (2), Greenville, S.C.—*Bernard M. Lipscomb and Glenn E. Turk*

HURWITZ (2), Longview, Tex.—*Sam Hurwitz*

J. O. JONES (2), Charlotte, N.C.—*William W. Watts*

KLEINHANS (4), Buffalo, N.Y.—*Paul G. Rohrdanz*

KLOPFENSTEIN'S (6), Seattle-Tacoma, Wash., and Anchorage, Alaska—*Hugh C. Klopfenstein*

KONNER'S, Paterson, N.J.—*Benn Konner*

KUCHARO'S (2), Des Moines, Iowa—*Nate Bernstein*

LANG'S (3), Akron, Ohio—*Frank M. Mark*

LEOPOLD PRICE & ROLLE (7), Houston, Tex.—*Joyce Lehman, Doug Jones and Donald W. Dickey*

MORRIS LEVY (2), Savannah, Ga.—*Dick Shanks*

LEVY'S (3), Jacksonville, Fla.—*Charles E. Haupt*

LIEMANDT'S (3), Minneapolis, Minn.—*John A. Liemandt*

LITTLER, Seattle, Wash.—*A. A. Littler and Laurence Fry*

THE MAN STORE, Asheville, N.C.—*Martin L. Belk*

MAY CLOTHING CO., Bay City, Mich.—*Val Lavin*

McLEOD WATSON & LANIER (2), Raleigh, N.C.—*G. Louis Schanze and William C. Burt*

McMANUS & RILEY (2), Albany, N.Y.—*William W. Reynders*

MERRITT SCHAEFER & BROWN (2), Austin, Tex.—*S. H. Ashford*

NATIONAL CLOTHING COMPANY (4), Rochester, N.Y.—*George Horwitz*

PATTERSON-FLETCHER (3), Ft. Wayne, Ind.—*C. Dwight Shirey and Norman Tatman*

PORTER'S, New Orleans, La.—*Joseph S. Fishman and Raymond S. Fishman*

JACOB REED'S SONS (8), Philadelphia, Pa.—*E. J. Hesketh*

ROOT'S (2), Summit, N.J.—*Perry Franklin Root*

ROSENBLATTS (3), Portland, Ore.—*T. Jackson Aycock*

SCHREIBER'S, Scranton, Pa.—*Harold Barnett*

SHULMAN'S (2), Norfolk, Va.—*Leroy Shulman, Lewis Shulman and Herman Goldman*

SILVERWOODS (20), Los Angeles, Calif.—*Stephen C. Bilheimer and Alex J. Cochrane*

SMALL'S (2), Lansing, Mich.—*George J. Clark and Norman W. Peterson*

STARK BROS. (4), Harrisburg, Pa.—*Kenneth R. Stark, Sr., and Kenneth R. Stark, Jr.*

STEVENS (3), New Orleans, La.—*Raymond S. Fishman and Jim Robinson*

STEVENS (2), Jackson, Miss.—*William L. Featherstone*

CHAS. A. STEVENS (5), Chicago, Ill.—*John W. Sheldon—(women's specialty store)*

STUCKEY'S (2), Rockford, Ill.—*Raymond H. Schmitz and A. John Syke*

F. R. TRIPLER & CO., New York, N.Y.—*S. S. Daily*

VAN STRAATEN'S (2), Durham, N.C.—*Harry J. van Straaten and William C. Burt*

C. N. VICARY CO. (2), Canton, Ohio—*Francis J. Sweeney*

WALKERS (5), Columbus, Ohio—*Paul F. Cockrell*

WALKERS (3), Dayton, Ohio—*Glen L. Waltrip*

WALLACHS (22), New York, N.Y., Connecticut, Massachusetts, New Jersey and Rhode Island—*Frank T. Reilly*

WALLACHS-DICK RICHMOND (4), Miami, Fla.—*Frank T. Reilly and William Handelman*

WALLACHS-HORSFALLS, Hartford, Conn.—*Frank T. Reilly*

WASHER BROS., Ft. Worth, Tex.—*Donald W. Dickey*

WAYMIRE'S (2), Colorado Springs, Colo.—*C. C. Waymire and Jack Waymire*

WEATHERWAX, Sioux City, Iowa—*Carrol N. Smith and James E. Collman*

WICKS & GREENMAN (2), Utica, N.Y.—*James G. Capps and Arthur R. Scoones*

JAS. K. WILSON and GUS ROOS (7), Dallas, Tex.—*James K. Wilson, Sr., and Charles S. Huyck*

WOLF BROS. (5), Tampa, Fla.—*Fred L. Wolf*

WOLFF'S (5), St. Louis, Mo.—*Russell G. Bartow*

ZACHRY (5), Atlanta, Ga.—*John H. Brown and Cliff H. Stevens*

OFFICERS OF THE MANUFACTURING DIVISIONS

Hart Schaffner & Marx Clothes

William Mendelsohn, *President*
Thomas J. Flavin, *Vice President*
E. O. (Bert) Hand, *Vice President*
Mark J. Lies, *Vice President and Controller*
Walter Mysyk, *Vice President*
Donald D. Shorr, *Vice President*
Albert Bean, *Second Vice President*
Thomas J. Cody, *Second Vice President*
Anthony F. Karson, *Second Vice President*
Alex Rinaldi, *Second Vice President*
Kurt Schieren, *Second Vice President*
Frederick H. Schmeling, *Second Vice President*
Max A. Hart, *Assistant Secretary*
Albert Bergschneider, *Assistant Controller*
LeRoy S. Beckman, *Assistant to the President*
Hymen Weintraub, *President—Society Brand Clothes*
Howard Zenner, *Executive Vice President Society Brand Clothes*
Joseph G. Peine, *Vice President, Society Brand Clothes*

Jaymar-Ruby, Inc.

Jack M. Ruby, *Chairman of the Board*
Burton B. Ruby, *President*
Leonard W. Benowitz, *Executive Vice President*
Max Bukstein, *Vice President*
Jack R. Frank, *Vice President*
Hartley Job, *Vice President*
Harold Leinwand, *Vice President and Treasurer*
Edwin H. Levitin, *Vice President*
Nathan S. Balser, *Assistant Vice President*
Alf Djuvik, *Assistant Vice President*
Robert L. Plummer, *Assistant Vice President*
Roger L. Webb, *Assistant Vice President*
Bernard Levine, *Regional Vice President*
James R. Shibko, *Regional Vice President*
John Ward, *Regional Vice President*
Garson S. Gherman, *Secretary and Assistant to the President*
Gerald I. Paige, *Vice President Silver/GulfStream, Inc.*
Bernard S. Holzman, *Vice President Silver/GulfStream, Inc.*
Al E. Kahan, *Vice President Silver/GulfStream, Inc.*

Hickey-Freeman Co., Inc.

Walter B. D. Hickey, Sr., *President*
Paul S. Brescia, *Vice President*
Frank V. Bruno, *Vice President*
Thomas F. G. Hickey, *Vice President*
Walter B. D. Hickey, Jr., *Vice President*
Richard B. Lyons, *Vice President*
Morris M. Medved, *Vice President*
Donald B. Parish, *Secretary-Treasurer*

M. Wile & Company, Inc.

Arthur Gunzberg, *Chairman of the Board*
Lawrence Gunzberg, *President*
Anthony Caine, *Vice President*
Harry Feldstein, *Vice President*
Norbert Huber, *Vice President, Secretary and Assistant Treasurer*
Manfred Klein, *Vice President*
Theodore Levy, *Vice President*
Arthur Matross, *Vice President*
Frank Norton, *Vice President*
George Odvarka, *Vice President*
Frederick Pepperday, *Vice President*
Edward Robbins, *Vice President*
Samuel Solomon, *Vice President*
Guy Gunzberg, *Second Vice President*
Victor Jachimowicz, *Second Vice President and Assistant Secretary*

Gleneagles, Inc.

Charles R. Lamm, *Chairman of the Board*
Alfred S. Oppenheimer, *Vice President*
Thomas J. Peddicord, *Vice President and Tre*
Tom Singleton, *Vice President*
Harvey A. Cohen, *Second Vice President*
Eleanor G. Tadder, *Secretary*

Robitshek-Schneider Company (Great Weste

Louis Gross, *Chairman of the Board*
Arnold Rubenstein, *President*
Bernard S. French III, *Executive Vice Preside*
Marvin Baumel, *Vice President*
Carl Sand, *Secretary-Treasurer*

Craigmore Clothes, Inc.

A. Robert Lauter, *President*
Sam Dicker, *Vice President*
M. P. Hershfield, *Secretary*
Lee McCutchen, *Treasurer*

M. WILE & CO., INC.
Don Richards
Country Casuals
Suits and sport coats

JOHNNY CARSON APPAREL, INC.
25 items of coordinated clothing and furnishings

CRAIGMORE CLOTHES, INC.
Suits and sport coats

GLENEAGLES, INC.
Men's weathercoats and golf jackets

Chandelle, Ltd.
Women's coats by Jean Louis

HART SCHAFFNER & MARX CLOTHES
Hart Schaffner & Marx
Society Brand
Sterling & Hunt
Graham & Gunn, Ltd.
Suits, sport coats, slacks, outercoats and formal wear

Jack Nicklaus
Suits, sport coats and slacks

Thorngate, Ltd.
Sport slacks

Fashionaire
Men's and women's career wear

AUSTIN REED OF REGENT STREET
Suits, sport coats, slacks and outercoats

HICKEY-FREEMAN CO., INC.
Hickey-Freeman
Walter-Morton
Gilbert & Lodge
Suits, sport coats, slacks, outercoats and formal wear

JAYMAR-RUBY, INC.
Jaymar-Ruby
Sansabelt
Cary Middlecoff
Sport and dress slacks and walk shorts

Silver/GulfStream Inc.
Silver/GulfStream
Securoslax
SelfSizer
Sport and dress slacks and walk shorts

GREAT WESTERN
Men's jackets, car coats, casual coats and coordinated sportswear